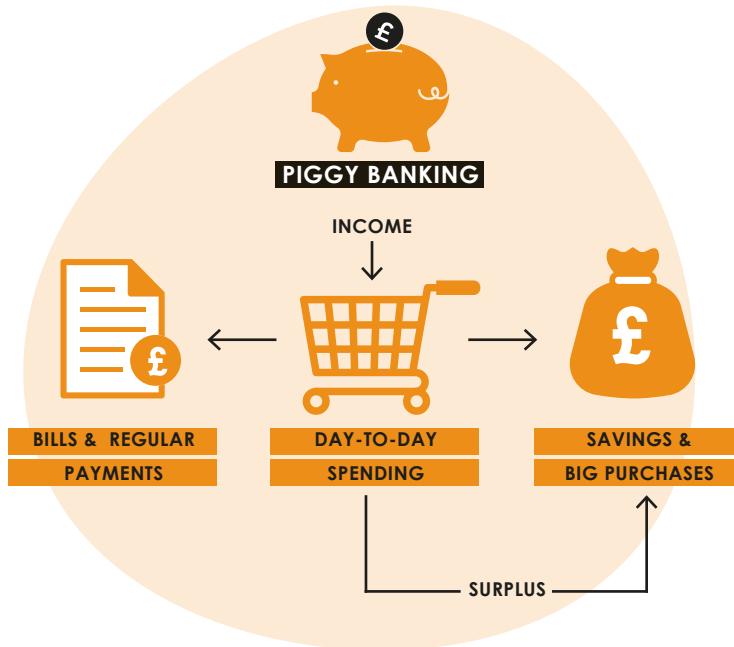


6 steps

to setting up piggy banking

Piggy Banking is a simple tool to help you manage your money. It works on the basis that most of us find it difficult to keep track of everything that's going on with our money. Piggy Banking makes things much simpler by breaking down all our spending into three pots.



1 3 POTS

Separate all the things you spend money on into three categories:

1 BILLS AND REGULAR PAYMENTS:

All the bills or payments you pay regularly.

2 DAY-TO-DAY SPENDING:

Your day-to-day living expenses e.g., food, leisure and entertainment.

3 SAVINGS AND BIG PURCHASES:

All the things you want to save up for.

2

3 TOTALS!

Add up the total spending for each of your three Piggy Banking pots

Use our online Budget Builder to create your own budget - it will work out your Piggy Banking totals for you! Visit budgetbuilder.themoneycourse.org

3

3 ACCOUNTS!

Open three bank accounts, one for each of your Piggy Banking pots

4

3 ACTIONS!

Organise your income and payments

1

Arrange for your income to be paid into your **Day-to-day spending account**.

2

On the same day that you get your income, set up two automatic bank transfers (Standing Orders):

- Transfer the Bills total from your budget into your **Bills and regular payments account**.
- Transfer the Savings total from your budget into your **Savings and big purchases account**.

3

Make sure you use the correct account when you spend any money. So all your bills are paid from your Bills account. Anything you are saving up for comes out of your Savings account. And everything that is left in your day-to-day account can be used for your everyday purchases.

5

AN EXTRA STEP!

Make an extra transfer if you receive more income than you've budgeted for one month

If this happens, transfer the extra income into your savings account, so that you can use this surplus in any months when your income is lower than you were expecting.

6

USE CASH!

If you need to, think about using cash to help you budget

Draw out from your Day-to-day spending account the amount of cash you need for the week, based on the budget you have drawn up, and use only that cash during the week. It's simple! But the effect is amazing.